

# **SUBCOMMITTEE NO. 3**

# **Agenda**

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**Chair, Senator Denise Moreno Ducheny**  
**Senator Dave Cox**  
**Senator Wesley Chesbro**



**Thursday, April 20, 2006**  
**(10 am or Upon Adjournment)**  
**John L. Burton Hearing Room (4203)**  
**Consultant, Anastasia Dodson**

## **Trailer Bill Language**

## DEPARTMENT OF ALCOHOL AND DRUG PROGRAMS

### Proposed Trailer Bill Language, April 2006 Finance Letter

All references are to Health and Safety Code unless otherwise specified.

**11756.9** (a) This act shall be known as the Alcohol and Drug Programs Licensing Reform Act of 2006.

(b) The regulations adopted by the department pursuant to this Act shall be adopted as emergency regulations in accordance with Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, and for the purposes of that chapter, including Section 11349.6 of the Government Code, the adoption of these regulations is an emergency and shall be considered by the Office of Administrative Law as necessary for the immediate preservation of the public peace, health and safety, and general welfare. Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, including subdivision (e) of Section 11346.1 of the Government Code, any emergency regulations adopted pursuant to this section shall be filed with, but not be repealed by, the Office of Administrative Law and shall remain in effect until revised by the department. Nothing in this paragraph shall be interpreted as prohibiting the department from adopting subsequent amendments on a nonemergency basis or as emergency regulations in accordance with the standards set forth in Section 11346.1 of the Government Code.

**11830.1.** (a) In order to ensure quality assurance of alcohol and other drug programs and expand the availability of funding resources, the department shall implement a program certification procedure for alcohol and other drug treatment recovery services funded under this part. The department, after consultation with the County Alcohol and Drug Program Administrators Association of California, and other interested organizations and individuals, shall develop standards and regulations for the alcohol and other drug treatment recovery services describing the minimal level of service quality required of the service providers to qualify for and obtain state certification.

(b) The department shall develop standards and regulations to establish the criteria to be used for the approval or denial of program certification applications. The standards shall be voluntary until adopted as regulations, except that, notwithstanding Section 11340.5 of the Government Code, in order for a direct service provider to be eligible for funds pursuant to Section 1463.16 of the Penal Code, the provider shall have a valid certificate issued by the department under this chapter, whether or not the standards have been promulgated as regulations.

(c) The standards shall be excluded from the rulemaking requirements of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code). ~~Compliance with these standards shall be voluntary on the part of programs.~~ For the purposes of Section 2626.2 of the Unemployment Insurance Code, certification shall be equivalent to program review.

**11830.5.** (a) The department, in consultation with the county alcohol and drug program administrators and other interested organizations and individuals, shall develop program standards specific to each type of residential and nonresidential program, to be used during its certification process. These standards shall be voluntary until adopted as regulations, except as provided in Section 11830.1, advisory only and are excluded from the provisions of Section 11340.5 of the Government Code and other rulemaking requirements of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code), and Chapter 8 (commencing with Section 11835).

(b) The program standards shall include, but not be limited to, both of the following:

(1) Recognition and characterization of different approaches and solutions to the alcohol and drug problems that the department determines have sufficient merit for a separate standard.

(2) Reference to the needs of youth, the elderly, women, pregnant women, mothers and their children, gays, lesbians, the disabled, and special populations, with recognition of innovative solutions to the problems of those special populations.

(c) The program standards shall serve as educational documents to inform the public of the current state-of-the-art in effective and cost-efficient alcohol and drug problem programming.

**11831.5.** (a) Pursuant to the provisions of Section 11830.5, and the provisions of program certification standards, cCertification shall be granted by the department pursuant to this section to any qualified alcoholism or drug abuse recovery or treatment program wishing to receive, and requesting, the certification upon approval of a completed application and payment of the required fee. Certification shall be valid for a period of not more than two years. The department may extend the certification period upon receipt of an application for renewal and payment of the required certification fee prior to the expiration date shown on the certification.

(b) The purposes of certification under this section shall be all of the following:

(1) To identify programs that exceed minimal levels of service quality, are in substantial compliance with the department's standards, and merit the confidence of the public, third-party payers, and county alcohol and drug programs.

(2) To encourage programs to meet their stated goals and objectives.

(3) To encourage programs to strive for increased quality of service through recognition by the state and by peer programs in the alcoholism and drug field.

(4) To assist programs to identify their needs for technical assistance, training, and program improvements.

(c) Pursuant to the provisions of Section 11830.5, and the provisions of program certification standards relating to criminal background check clearances, cCertification may be granted under this section on the basis of evidence satisfactory to the department that the requesting alcoholism or drug abuse recovery or treatment program has an accreditation by a statewide or national alcohol or drug program accrediting body. The accrediting body shall provide accreditation that meets or exceeds the department's standards and is recognized by the department.

(d) No fee shall be levied by the department for certification of nonprofit organizations or local governmental entities under this section.

(e) Certification, or the lack thereof, shall not convey any approval or disapproval by the department, but shall be for information purposes only.

(f) The standards developed pursuant to Section 11830 and the certification under this section shall satisfy the requirements of Section 1463.16 of the Penal Code.

(g) The department and the State Department of Social Services shall enter into a memorandum of understanding to establish a process by which the Department of Alcohol and Drug Programs can certify residential facilities or programs serving primarily adolescents, as defined in paragraph (1) of subdivision (a) of Section 1502, that have programs that primarily serve adolescents and provide alcohol and other drug recovery or treatment services.

**11832.1** 11834. The department shall encourage the development of educational courses that provide core knowledge concerning alcohol and drug abuse problems and programs to personnel working within alcohol and drug abuse programs.

### **Chapter 7.3**

**11833.01. Application of chapter.** This chapter applies to all programs, facilities or services licensed, certified or otherwise approved by the department, and to any program, facility or service that contracts directly with or is funded by the department.

#### **11833.1. Self-disclosure statement, criminal background investigation**

(a) This section applies to all programs, facilities, or services first licensed or certified by the department on or after January 1, 2007, to all programs, facilities, or services renewing a license or certification on or after July 1, 2007, and to all applicants, licensees, partners, officers, directors, 10 percent or greater beneficial owners regardless of the form of ownership, persons employed or proposed to be employed pursuant to Section 2401(c) of the Business and Professions Code, and persons subject to criminal record reviews and fingerprinting pursuant to Section 11834.50(c), in any such program, facility, or service.

(b) (1) A self-disclosure statement shall be completed and signed under penalty of perjury by each person described in subdivision (a), and shall be submitted to the department with an application for initial or renewal licensure or certification.

(2) The self-disclosure statement shall disclose under penalty of perjury the following information:

(A) The conviction of any crime under any jurisdiction (state, federal, military, or any other jurisdiction outside of the United States). All convictions must be reported, including convictions that have been expunged (set aside) or for which a certificate of rehabilitation has been issued or for which there has been a plea of nolo contendere (no contest).

(B) Any past or present government-imposed disciplinary action taken.

(C) Any ongoing or recent investigation action by any law enforcement agency or licensing agency and a description of the reason(s) for the investigation.

(D) Any denial, revocation, or suspension of any license, certificate, credential, accreditation, or approval issued under this division, by any department of the California Health and Human Services Agency, by any board or subdivision of the Department of Consumer Affairs, or by the equivalent of any of the foregoing in any other jurisdiction.

(E) Any exclusion from a program, facility or service licensed by any department of the California Health and Human Services Agency or by any equivalent entity in any other jurisdiction.

(F) Any suspension, debarment or exclusion from participation in the Medicare, Medi-Cal or any Medicaid program.

(c) The department may request and evaluate input concerning any person described in subdivision (a) from any law enforcement or other government agency.

(d) Any person described in subdivision (a) whose application for licensure or certification is rejected by the department shall be prohibited from applying for or obtaining any type of license, certification or other approval from the Department for a period of two years from the date of notice of rejection, unless the law or regulation pertaining to the specific reason for the rejection requires a longer time.

### **11833.2. Conduct Inimical.**

In addition to any other lawful grounds, the director may deny an initial or renewal application for licensure or certification, suspend or revoke any license or certification issued by this department, or deny an application to modify the terms and conditions of a license or certification if any person described in subdivision (a) of Section 11833.1 has engaged in conduct which is inimical to the health, morals, welfare, or safety of either an individual in or receiving services from the facility, local community, or the people of the State of California. This may include, but is not limited to, conduct evidenced by a final determination of any licensing board, department, administrative law judge or other agency of the State of California, or by any equivalent entity in any other jurisdiction, provided that the person or entity whose conduct is at issue had an opportunity for reasonable due process in that final determination.

### **11833.3. Discretionary disclosure of evaluation criteria.**

The department may assess each program, facility or service, licensed or certified by the department using criteria established by the department to determine the need for more

frequent program evaluations than the minimum specified for the particular license or certification. The department may, at its discretion, disclose part or all of the criteria established for conducting the evaluations except when to do so would compromise the ability of the department to investigate or take disciplinary action.

#### **11833.4. Discretionary license or certification period less than two years.**

The department may issue to any program, facility, or service a license or certification valid for a period of less than two years if the department has documentation of poor performance, or if the program, facility, or service has accreditation from a recognized accreditation body which expires before the end of the two-year license or certification period.

#### **11833.5 Probationary period for new licensure or certification.**

All programs, facilities or services approved for initial licensure, certification or direct contracting with the department shall be required to serve a probationary period of one year to ensure compliance with all applicable laws and regulations. The department shall establish standards for the probationary period, which may include, but are not limited to, a lower standard of proof and a limitation or elimination of administrative review of any determination to deny full licensure, certification or contract status. A determination to deny full licensure, certification or contract status shall not be set aside by any court unless the action is found to be arbitrary and capricious.

#### **11833.6 Accreditation Alternative**

The department may accept documentation of accreditation by a nationally recognized accreditation organization as evidence of compliance with all or part of the department's requirements for initial or renewal licensure or certification. Accreditation shall not substitute for a site visit by the department. The department may specify by regulation which accreditation organizations will be recognized, which standards may be satisfied by accreditation and what level of accreditation is required. Nothing in this section shall confer on any accreditation organization or any other person or entity any right or privilege for an accreditation organization to be recognized by the department. Recognition of accreditation organizations by the department may be granted, withdrawn or withheld in the sole discretion of the department.

**11834.01.** The department has the sole authority in state government to license adult alcoholism or drug abuse recovery or treatment facilities.

(a) In administering this chapter, the department shall issue new licenses for a period of not more than two years to those programs that meet the criteria for licensure set forth in Section 11834.03.

(b) Onsite program visits for compliance shall be conducted at least once during the license period.

(c) The department may conduct announced or unannounced site visits to facilities licensed pursuant to this chapter for the purpose of reviewing for compliance with any applicable statutes and regulations.

**11834.16.** A license shall be valid for a period of not more than two years from the date of issuance. The department may extend the licensure period for subsequent ~~two-year~~ periods upon submission by the licensee of a completed written application for extension and payment of the required licensing fee prior to the expiration date shown on the license. Failure to submit to the department the required written application for extension of the licensing period, or failure

to submit to the department the required licensing fee prior to the expiration date on the license, shall result in the automatic expiration of the license at the end of the ~~two-year~~ licensing period.

**11834.36.** (a) The director may suspend or revoke any license issued under this chapter, or deny an application for licensure, for extension of the licensing period, or to modify the terms and conditions of a license, upon any of the following grounds and in the manner provided in this chapter:

(1) Violation by the licensee of any applicable provision of this division ~~chapter~~ or regulations adopted pursuant to those provisions ~~this chapter~~.

(2) ~~Repeated violation by the licensee of any of the provisions of this chapter or regulations adopted pursuant to this chapter.~~

(3) ~~(2)~~ Aiding, abetting, or permitting the violation of, ~~or any repeated violation of,~~ any of the provisions described in paragraph (1) ~~or (2)~~.

(4) ~~(3)~~ Conduct which ~~in the operation of an alcoholism or drug abuse recovery or treatment facility that is inimical to the health, morals, welfare, or safety of either an individual in, or receiving services from, the facility, the local community, or to the people of the State of California.~~

(5) ~~(4)~~ Misrepresentation of any material fact in obtaining the alcoholism or drug abuse recovery or treatment facility license.

(6) ~~(5)~~ Failure to pay any civil penalties assessed by the department.

(b) The director may temporarily suspend any license prior to any hearing when, in the opinion of the director, the action is necessary to protect residents of the alcoholism or drug abuse recovery or treatment facility from physical or mental abuse, abandonment, or any other substantial threat to health or safety. The director shall notify the licensee of the temporary suspension and the effective date of the temporary suspension and at the same time shall serve the provider with an accusation. Upon receipt of a notice of defense to the accusation by the licensee, the director shall, within 15 days, set the matter for hearing, and the hearing shall be held as soon as possible. The temporary suspension shall remain in effect until the time the hearing is completed and the director has made a final determination on the merits. However, the temporary suspension shall be deemed vacated if the director fails to make a final determination on the merits within 30 days after the department receives the proposed decision from the Office of Administrative Hearings.

**11836.11.** ~~The department shall require license renewal on a biennial basis.~~ A license shall be valid for a period of not more than two years.

**11839.3.** (a) In addition to the duties authorized by other statutes, the department shall perform all of the following:

(1) License the establishment of narcotic treatment programs in this state to use replacement narcotic therapy in the treatment of addicted persons whose addiction was acquired or supported by the use of a narcotic drug or drugs, not in compliance with a physician and surgeon's legal prescription, except that the Research Advisory Panel shall have authority to approve methadone or LAAM research programs.

The department shall establish and enforce the criteria for the eligibility of patients to be included in the programs, program operation guidelines, such as dosage levels, recordkeeping and reporting, urinalysis requirements, take-home doses of methadone, security against redistribution of the replacement narcotic drugs, and any other regulations that are necessary to protect the safety and well-being of the patient, the local community, and the public, and to carry out this chapter. A program may admit a patient to narcotic maintenance or narcotic detoxification treatment seven days after completion of a prior withdrawal treatment episode. The arrest and conviction records and the records of pending charges against any person seeking admission to a narcotic treatment program shall be furnished to narcotic treatment program directors upon written request of the narcotic treatment program director provided the

request is accompanied by a signed release from the person whose records are being requested.

(2) Inspect narcotic treatment programs in this state and ensure that programs are operating in accordance with the law and regulations. The department shall have sole responsibility for compliance inspections of all programs in each county. Onsite compliance inspections shall be conducted at least once during the licensure period. ~~Annual~~ eCompliance inspections shall consist of an evaluation ~~by onsite review~~ of the operations and records of licensed narcotic treatment programs' compliance with applicable state and federal laws and regulations and the evaluation of input from local law enforcement and local governments, regarding concerns about the narcotic treatment program. At the conclusion of each inspection ~~visit~~, the department shall conduct an exit conference to explain the cited deficiencies to the program staff and to provide recommendations to ensure compliance with applicable laws and regulations. The department shall provide an inspection report to the licensee within 30 days of the completed ~~onsite review~~ inspection describing the program deficiencies. A corrective action plan shall be required from the program within 30 days of receipt of the inspection report. All corrective actions contained in the plan shall be implemented within 30 days of receipt of approval by the department of the corrective action plan submitted by the narcotic treatment program. For programs found not to be in compliance, a subsequent inspection of the program shall be conducted within ~~30~~ 60 days after the ~~receipt~~ approval of the corrective action plan in order to ensure that corrective action has been implemented satisfactorily. Subsequent inspections of the program shall be conducted to determine and ensure that the corrective action has been implemented satisfactorily. For purposes of this requirement, "compliance" shall mean to have not committed any of the grounds for suspension or revocation of a license provided for under subdivision (a) of Section 11839.9 or paragraph (2) of subdivision (b) of Section 11839.9. Inspection of narcotic treatment programs shall be based on objective criteria including, but not limited to, an evaluation of the programs' adherence to all applicable laws and regulations and input from local law enforcement and local governments. Nothing in this section shall preclude counties from monitoring their contract providers for compliance with contract requirements.

(3) Charge and collect licensure fees. In calculating the licensure fees, the department shall include staff salaries and benefits, related travel costs, and state operational and administrative costs. Fees shall be used to offset licensure and inspection costs not to exceed actual costs.

(4) Study and evaluate, on an ongoing basis, narcotic treatment programs including, but not limited to, the adherence of the programs to all applicable laws and regulations and the impact of the programs on the communities in which they are located.

(5) Provide advice, consultation, and technical assistance to narcotic treatment programs to ensure that the programs comply with all applicable laws and regulations and to minimize any negative impact that the programs may have on the communities in which they are located.

(6) In its discretion, to approve local agencies or bodies to assist it in carrying out this chapter provided that the department may not delegate responsibility for inspection or any other licensure activity without prior and specific statutory approval. However, the department shall evaluate recommendations made by county alcohol and drug program administrators regarding licensing activity in their respective counties.

(7) The director may grant exceptions to the regulations adopted under this chapter if he or she determines that this action would improve treatment services or achieve greater protection to the health and safety of patients, the local community, or the general public. No exception may be granted if it is contrary to, or less stringent than, the federal laws and regulations which govern narcotic treatment programs.

(b) It is the intent of the Legislature in enacting this section in order to protect the general public and local communities, that self-administered dosage shall only be provided when the patient is clearly adhering to the requirements of the program, and where daily attendance at a clinic would be incompatible with gainful employment, education, and responsible homemaking. The department shall define "satisfactory adherence" and shall ensure that patients not satisfactorily adhering to their programs shall not be provided take-home dosage.

(c) There is established in the State Treasury the Narcotic Treatment Program Licensing Trust Fund. All licensure fees collected from the providers of narcotic treatment service shall be deposited in this fund. Except as otherwise provided in this section, if funds remain in this fund after appropriation by the Legislature and allocation for the costs associated with narcotic treatment licensure actions and inspection of narcotic treatment programs, a percentage of the excess funds shall be annually rebated to the licensees based on the percentage their licensing fee is of the total amount of fees collected by the department. A reserve equal to 10 percent of the total licensure fees collected during the preceding fiscal year may be held in each trust account to reimburse the department if the actual cost for the licensure and inspection exceed fees collected during a fiscal year.

(d) Notwithstanding any provision of this code or regulations to the contrary, the department shall have sole responsibility and authority for determining if a state narcotic treatment program license shall be granted and for administratively establishing the maximum treatment capacity of any license. However, the department shall not increase the capacity of a program unless it determines that the licensee is operating in full compliance with applicable laws and regulations.

**11839.8.** (a) The director may deny the application for initial issuance of a license if the applicant, owner, or any partner, officer, director, 10 percent or greater ~~shareholder~~ beneficial owner, or person proposed to be employed by the applicant under the authority of subdivision (c) of Section 2401 of the Business and Professions Code:

~~(a)~~(1) Fails to meet the qualifications for licensure established by the department pursuant to this article. However, the director may waive any established qualification for licensure of a narcotic treatment program if he or she determines that it is reasonably necessary in the interests of the public health and welfare.

~~(b)~~(2) Was previously the holder of a license issued under this article, and the license was revoked and never reissued or was suspended and not reinstated, or the holder failed to adhere to applicable laws and regulations regarding narcotic treatment programs while the license was in effect.

~~(c)~~(3) Misrepresented any material fact in the application.

~~(d)~~(4) Committed any act involving fraud, dishonesty, or deceit, with the intent to substantially benefit himself or herself or another or substantially injure another, and the act is substantially related to the qualification, functions, or duties of, or relating to, a narcotic treatment program license.

~~(e)~~(5) Was convicted of any crime substantially related to the qualifications, functions, or duties of, or relating to, a narcotic treatment program license.

~~(f)~~(b) The director, in considering whether to deny licensure under paragraph (4) or (5) of subdivision (a) (d) or (e), shall determine whether the applicant is rehabilitated after considering all of the following criteria:

(1) The nature and severity of the act or crime.

(2) The time that has elapsed since the commission of the act or crime.

(3) The commission by the applicant of other acts or crimes constituting grounds for denial of the license under this section.

(4) The extent to which the applicant has complied with terms of restitution, probation, parole, or any other sanction or order lawfully imposed against the applicant.

(5) Other evidence of rehabilitation submitted by the applicant.

~~(g)~~(c) If an applicant has been issued any other license(s) to provide narcotic treatment services, and, With respect to any other license issued to an applicant to provide narcotic treatment services, under that license(s) the applicant has violated any provision of this article or regulations adopted under this article that relate to the health and safety of patients, the local community, or the general public-, and, such vViolations include, but are not limited to, violations of laws and regulations applicable to take-home doses of methadone, urinalysis requirements, and security against redistribution of replacement narcotic drugs. ~~In these cases, the~~



department shall deny the application for an initial license unless the department determines that all other licensed narcotic treatment programs maintained by the applicant have corrected all deficiencies and maintained compliance for a minimum of the six months immediately preceding the date of the application.

**11839.9.** (a) The director shall suspend or revoke any license issued under this article, or deny an application to renew a license or to modify the terms and conditions of a license, upon any violation ~~by the licensee~~ of this article or regulations adopted under this article that presents an imminent danger of death or severe harm to any participant of the program or a member of the general public by the licensee, owner, or any partner, officer, director, 10 percent or greater beneficial owner, or person employed under the authority of subdivision (c) of Section 2401 of the Business and Professions Code.

(b) The director may suspend or revoke any license issued under this article, or deny an application to renew a license or to modify the terms and conditions of a license, upon any of the following grounds and in the manner provided in this article:

(1) Violation by the licensee, owner, or any partner, officer, director, 10 percent or greater beneficial owner, or person employed under the authority of subdivision (c) of Section 2401 of the Business and Professions Code of any laws or regulations of the Substance Abuse and Mental Health Services Administration or the United States Department of Justice, Drug Enforcement Administration, that are applicable to narcotic treatment programs.

(2) Violation by the licensee, owner, or any partner, officer, director, 10 percent or greater beneficial owner, or person employed under the authority of subdivision (c) of Section 2401 of the Business and Professions Code of any applicable provision of this division or regulations adopted pursuant to those provisions.

~~(2) Any violation that relates to the operation or maintenance of the program that has an immediate relationship to the physical health, mental health, or safety of the program participants or general public.~~

(3) Aiding, abetting, or permitting the violation of, ~~or any repeated violation of,~~ any of the provisions set forth in subdivision (a) or in paragraph (1) or (2).

(4) ~~Conduct in the operation of a narcotic treatment program~~ that is inimical to the health, welfare, or safety of an individual in, or receiving services from, the program, the local community, or the people of the State of California.

~~(5)~~(4) The conviction of the licensee, owner, or any partner, officer, director, 10 percent or greater ~~shareholder~~ beneficial owner, or person employed under the authority of subdivision (c) of Section 2401 of the Business and Professions Code at any time during licensure, of a crime substantially related to the qualifications, functions, or duties of, or relating to, a narcotic treatment program licensee.

~~(6)~~(5) The commission by the licensee, owner, or any partner, officer, director, 10 percent or greater ~~shareholder~~ beneficial owner, or person employed under the authority of subdivision (c) of Section 2401 of the Business and Professions Code at any time during licensure, of any act involving fraud, dishonesty, or deceit, with the intent to substantially benefit himself or herself or another, or substantially to injure another, and that act is substantially related to the qualifications, functions, or duties of, or relating to, a narcotic treatment program licensee.

~~(7)~~(6) Diversion of narcotic drugs. A program's failure to maintain a narcotic drug reconciliation system that accounts for all incoming and outgoing narcotic drugs, as required by departmental or federal regulations, shall create a rebuttable presumption that narcotic drugs are being diverted.

~~(8)~~(7) Misrepresentation of any material fact in obtaining the narcotic treatment program license.

~~(9)~~(8) Failure to comply with a department order to cease admitting patients or to cease providing patients with take-home dosages of replacement narcotic drugs.

~~(10)~~(9) Failure to pay any civil penalty assessed pursuant to paragraph (3) of subdivision (a) of Section 11839.16 where the penalty has become final, unless payment arrangements acceptable to the department have been made.

~~(11)~~(10) The suspension or exclusion of the licensee, owner, or any partner, officer, director, 10 percent or greater ~~shareholder~~ beneficial owner, or person employed under the authority of subdivision (c) of Section 2401 of the Business and Professions Code from the Medicare, ~~m~~Medicaid, or Medi-Cal programs.

(c) Prior to issuing an order pursuant to this section, the director shall ensure continuity of patient care by the program's guarantor or through the transfer of patients to other licensed programs. The director may issue any needed license or amend any other license in an effort to ensure that patient care is not impacted adversely by an order issued pursuant to this section.

**11838.10.** The director may suspend or revoke any license issued under this chapter, or deny an application to renew a license or to modify the terms and conditions of a license, upon any of the following grounds and in the manner provided in this chapter:

(a) Violation by the licensee of any applicable provision of this division ~~chapter~~ or regulations adopted pursuant to those provisions ~~this chapter~~.

(b) ~~Repeated violation by the licensee of this chapter or regulations adopted pursuant to this chapter.~~

~~—(c) Aiding, abetting, or permitting the violation of, or any repeated violation of, subdivisions (a) and (b).~~

(c) (d) Conduct which is inimical to the health, morals, welfare, or safety of either an individual in, or receiving services from, the program, the local community, or the people of the State of California. Continued program operations jeopardize the health and welfare of participants or the public.

(d) (e) Misrepresentation of any material fact in obtaining a ~~multiple-offender~~ program license.

**Health and Safety Code 11970.4 is amended to read:**

11970.4. This article shall remain operative only until January 1, 2008 ~~January 1, 2007~~, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2008 ~~January 1, 2007~~, deletes or extends that date.